SCCS Response to Consultation on the Long-term Management of the Crown Estate in Scotland

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Dr Vivian Scott, Dr Peter Brownsort, 22nd March 2017

Scottish Carbon Capture & Storage[1] (SCCS) welcomes the transfer of powers over the Crown Estate in Scotland to Scottish Ministers and is pleased to have the opportunity to input to the consultation[2] on the long-term management framework. Through this devolution of powers Scottish Ministers will control rights and responsibilities relating to the storage of all types of gas, including carbon dioxide (CO_2), under the seabed offshore Scotland.[3] Safe storage of CO_2 in geological formations deep under the seabed is a fundamental element in the suite of technologies comprising carbon capture and storage (CCS). Effective management of CO_2 storage is important and so of keen interest to SCCS in pursuing its role to support the development and deployment of CCS in Scotland in order to help achieve climate change mitigation ambitions.

The deployment of CCS is critical to achieving deep decarbonisation of the Scottish economy cost-effectively. The draft Scottish Energy Strategy[4] and the draft Climate Change Plan[5] include CCS as a priority area that is critical to delivering decarbonisation strategies across different sectors of the economy, from electricity generation and heavy industry to heating and transport.

Scotland is uniquely well placed to develop CCS with its huge and well-understood CO_2 storage resources, an established subsurface industry, existing infrastructure that can be reused to reduce initial costs, and the right skills and experience needed to develop this new industry serving our own, and potentially European, CO_2 storage needs. This high-value storage asset is to be managed by Scottish Ministers through the Crown Estate in Scotland.

To date, The Crown Estate has invested substantially in the strategic development of CO_2 storage expertise, knowledge and opportunities to support the creation of a UK CCS industry.[6] This has been in line with its commercial objectives, with a view to obtaining significant future revenue for The Crown Estate from licensing CO_2 storage. This strong support from The Crown Estate has been a key factor in encouraging and sustaining Government and industry interest in CCS.

SCCS perspective on long-term management framework

Considering the long-term framework for management of the Crown Estate in Scotland, SCCS has no opinion on the overall principal of further devolution. However, we strongly advocate that offshore energy and energy-related assets and investments would be best managed at a national Scottish level. This includes CCS assets and developments as well as associated fixed infrastructure, such as pipelines, in all Scottish offshore areas (including <12 nm and <200 nm areas).

National management of such assets and investments is important from several perspectives. It provides a single contact point for project proposers, reducing complexity for project development. It enables sector-specific expertise to be maintained within the Crown Estate in Scotland. It can facilitate efficient collaboration on energy and CCS project development between the Crown Estate in Scotland and in the rest of the UK; for example, CCS projects in Teesside are considering CO_2 storage options in the Scottish offshore zone. It also allows for more effective strategic alignment with Scotland's national objectives.

On this last point, SCCS believes that the long-term framework for management of the Crown Estate in Scotland should seek to align with and give strategic support to the delivery of Scottish national objectives, including those that relate to the areas of energy and climate change.

Consequently, SCCS suggests that the Crown Estate in Scotland should continue to support CCS opportunities and maintain the ability to make further strategic investments to encourage the development of the CCS sector in Scotland. In line with a previous briefing to Scottish Government,[7] we suggest that there are numerous smaller-scale or initial development opportunities, several of which might be within the remit of the Crown Estate in Scotland to support. A present example is the Acorn Project:[8] an initial, entry-scale integrated CCS system that will largely reuse existing infrastructure to minimise costs. Taking this approach of incremental development in the CCS sector can, we believe, lead to lower costs and lower risks than were experienced in previous UK Government commercialisation approaches.

SCCS is pleased to have been involved in the Stakeholder Advisory Group on devolution of the Crown Estate in Scotland and to have had this opportunity to make a specific input on CCS to the consultation; we have also submitted a response through the online consultation process. We would be happy to provide further information or answer questions relating to any of these inputs.

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[1] **Scottish Carbon Capture & Storage** is a research partnership of British Geological Survey, Heriot-Watt University, the University of Aberdeen, the University of Edinburgh and the University of Strathclyde. Our researchers are engaged in high-level CCS research, including joint projects with industry. We act as a conduit between academia, industry and government, providing independent advice and policy guidance along with a variety of events and knowledge exchange. http://www.sccs.org.uk/

[2] Scottish Government, 2017. Crown Estate: A Consultation on the Long Term Management of the Crown Estate in Scotland. https://consult.scotland.gov.uk/crown-estate-strategy-unit/long-term-management-of-the-crown-estate/

[3] SCCS, 2015. Authorisation of carbon dioxide storage offshore Scotland – anticipated effects of further devolution. http://www.sccs.org.uk/images/expertise/reports/working-papers/wp-2015-01.pdf

[4] Scottish Government, 2017. Draft Scottish Energy Strategy: The Future of Energy in Scotland. http://www.gov.scot/Resource/0051/00513466.pdf

[5] Scottish Government, 2017. Draft Climate Change Plan: The draft third report on policies and proposals 2017-2032. http://www.gov.scot/Resource/0051/00513102.pdf

[6] For example, the development of the CO_2Stored database. http://www.co2stored.co.uk/home/index

[7] See recommendations in SCCS briefing to Scottish Government: SCCS, 2016. Scotland's Energy Strategy: The role of carbon dioxide capture and permanent storage. http://www.sccs.org.uk/images/expertise/reports/working-papers/WP_SCCS_2016_07_Scotland_Energy_Strategy_2.pdf

[8] SCCS is a co-developer of the Acorn Project, which is currently seeking funding. See GCCSI, 2017. https://www.globalccsinstitute.com/projects/acorn-minimum-viable-ccs-development